SUDARSHAN CHEMICAL INDUSTRIES LIMITED

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

[in terms of Regulation 25(7) and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations, 2015")]

Background:

The Listing Regulations require listed companies to conduct familiarization programme for the Independent Directors so as to familiarize them with the company, nature of the industry in which the company operates, business model of the company, roles, rights and responsibilities of the independent directors and any other relevant information.

The Company facilitates the members of the Board to familiarize themselves with the industry and its operations.

Practices followed by the Company:

The Company believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly and effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions. Visits to Company's facilities are also organised for the Directors.

The Board has adopted an ongoing Familiarization Program (''the Program") for Independent Directors pursuant to Listing Regulations, 2015. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company and to help them in the efficient discharge of their roles, rights and responsibilities in the Company. Agenda for the Board and Committee Meetings is fixed in such a way that all Directors including Independent Directors are acquainted at the Board and Committee Meetings, with various matters such as, Operation Plans and Strategy Matters and Update on Strategy, Regulatory Updates, Risk Management, CSR activities, Internal Audit, etc. The management makes it a practice to conduct one Board Meeting in a year at the plant location where a plant visit for Directors is arranged. Updates on the capital expenditure, upgradation of manufacturing facilities, etc. are given to the Directors. Directors also pay visit to the ongoing CSR projects being implemented by the Company in the surrounding areas.

On appointment and during the tenure of an Independent Director, following procedure is followed:

- On appointment of Independent Dir, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The Company Secretary sends a formal letter to the Directors about their legal and regulatory responsibilities as a Director and the compliances required of them under the Companies Act 2013 and applicable SEBI Regulations.

- Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director, Wholetime Director and other Senior Executives on manufacturing, marketing, finance and other important aspects of the Company's business. Relevant literature relating to the Company such as Annual Reports, CSR and Sustainability Reports, Code of Conduct, etc. are provided to the Independent Directors on their appointment.

- Functional Heads and Company executives are invited at Board/Committee meetings, to update and brief the Board about the performance of their function. The Board members are provided update on relevant regulatory changes and important legal cases having significant impact on the Company's performance.

- On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board and Committee Members as and when necessary.

Details of Familiarization Programme imparted to Independent Directors during the Financial Year 2022-23

Sr. No.	Subject Matter of the Programmes	No. of hours spent by the Independent Directors	
		FY 2022-23	Cumulative till date (Since FY 2016-17)
1.	Operation Plans and Strategy Discussions	6	25
2.	Internal Audit and Compliance Process	5	27
3.	SEBI Regulations, Secretarial Standards and other regulatory updates	2	11
4.	Business Updates on Subsidiaries	1	14
5.	Risk Management and Internal Control, Whistleblower Policy	4	12
6.	CSR framework related updates	2	9
	TOTAL	20	98